

## Shell faces protests, delays at Irish gas project

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**ROSSPORT, Ireland:** A small horse trailer acts as the unassuming headquarters for a campaign that has delayed a billion-dollar gas project by at least four years and threatened oil giant Royal Dutch Shell's reputation.

The trailer, covered with posters attacking Shell's environmental record, is parked by a road near the perimeter fence of a planned terminal for processing gas from the Corrib field, 70km (43.5 miles) off the Mayo coast in western Ireland.

A handful of people sit inside, sipping tea, ready to block the facilities' gates to ensure the plant and a high pressure pipeline are not completed. They fear the pipeline will run dangerously close to their homes.

"There's only one way they can push it through and that's by force," said Vincent McGrath, a retired teacher who was jailed with four others for 94 days last year for obstructing work on the pipeline.

A few miles down a road lined with more "Shell Out" and "Shell Hell" posters lies the village of Rosspport.

On a barn at the village entrance, there is a message pleading for "justice" for the "Rosspport 5", as McGrath and the four other prisoners came to be known across Ireland.

On another building, there is a mural of Ken Saro-Wiwa, the activist and critic of Shell's operations in Nigeria, who was hanged by the then military government in 1995.

The imprisonment of the Rosspport men triggered protests across Ireland, drew calls for higher taxes on oil companies and brought protesters to Rosspport from around the world.

Work on the project halted and Shell eventually asked the courts to release the five. Shell and its partners – Norwegian state oil firm Statoil and Texas-based Marathon

Oil Corp – hope to restart work in the coming months and begin production in 2007 but analysts think this optimistic.

The Corrib field is small to medium in size and the reported 100mn euros (\$120mn) cost overrun is small compared to a \$10bn overrun on Shell's biggest gas project, at Sakhalin Island off Russia's east coast.

However, like Sakhalin, where Shell is accused of putting endangered whales at risk, and the Bonga oil project in Nigeria, which was late and over budget, Corrib is chipping away at Shell's reputation as a company which can get projects done without major financial or environmental setbacks.

With falling production and the worst record at adding new reserves among peers, Shell cannot afford to give governments reasons to find against it when awarding new operating licences.

Residents' worries focus on the pipeline which will carry unprocessed gas across 9km (5.6 miles) of unstable bogland and run as little as 70m (230ft) from their homes.

They want Shell to process the gas offshore and bring it onshore at lower pressure, and further away from their homes.

"We're not anti-gas, we're anti the way it's done," Mary Corduff, whose husband Willie was jailed with McGrath, said.

The pipe's planned operating pressure is 120-150 bar, while transmission pipelines in Ireland usually run at a maximum of around 85 bar and must be 72m (236ft) from residences, a spokeswoman for state-owned gas distributor Bord Gais said.

Shell says offshore processing is uneconomical and no safer, and a strengthened pipeline compensates for the higher pressure.

An independent safety review commissioned by the Irish government, which backs the project, from consultants Advantica, approved the pipeline.

Objectors are unconvinced. A review commissioned by the government last year from British Pipeline Agency (BPA) also found the pipeline to be safe but was set aside after it emerged BPA was half-owned by Shell.

Even specialists can underestimate the risks from pipeline failure due to the complexity of modelling the release process of gas, Haroun Mahgerefteh, professor of chemical engineering at University College London, said.

"Not many people have the capability of doing it so what they tend to do is to make simplifying assumptions which imply consequences that are much less severe than

they would be in practice,” Mahgerefteh told Reuters.

A spokeswoman for the Irish Department of Communications, Marine and Natural Resources said officials were confident Advantica’s calculations were reliable.

Shell said many locals support the project and noted that most landowners agreed to allow the pipe cross their land.

Only one of around a dozen people Reuters interviewed at the village voiced support, although elsewhere, notably in urban areas, many people are in favour. Most villagers complained they had not been properly consulted or informed about the pipeline.

“We signed, but they didn’t tell us what it was about,” said one elderly woman, who declined to give her name.

Enda Kenny, leader of the main opposition Fine Gael party and in whose constituency Rossport lies, says the project will help secure energy supply but adds Shell handled it badly. “They were not as open and the community was not as involved as it should have been,” Kenny said in a telephone interview.

Echoing a complaint often made by communities near hydrocarbon resources, many locals feel they will not benefit. – Reuters

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